

THE TORONTO STOCK EXCHANGE

30/11/72
1/2/73

FILING STATEMENT NO. 1857.
FILED, FEBRUARY 22, 1973.

PAN CENTRAL EXPLORATIONS LIMITED
(formerly PCE EXPLORATIONS LIMITED)

Full corporate name of Company
Incorporated under Part XI of The Ontario Companies Act
by Letters Patent dated January 24th, 1945

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.

See Schedule "A" on pages 6 & 7.

2. Head office address and any other office address.

Suite 420, 159 Bay Street, Toronto, Ontario

3. Names, addresses and chief occupations for the past five years of the present or proposed officers and directors.

The names, addresses and chief occupations for the past five years of the present or proposed officers and directors are as follows:

Office

Name and Address

Occupation

President and
Managing Director

Murray Watts,
55 Bayview Ridge,
Willowdale, Ontario

Mining Engineer and
Prospector, self-employed

Vice-President
and Director

Murdock Mosher,
168 Sandringham Dr.,
Downsview, Ontario

Prospector, self-employed

Secretary-
Treasurer

** David A. Holman,
27 Orrell Avenue,
Islington, Ontario

Chartered Accountant. From
September 1969 to Sept. 72,
Manager of Accounting with
Acres Consulting Services
Ltd.; prior thereto
Comptroller and Treasurer
of Hedlin Menzies &
Associates Limited.

Director

Ralph Hedlin,
130 Glen Road,
Toronto, Ontario

Chairman of Hedlin, Menzies
& Associates Limited. Also
a director of Traders
Group Limited and Acres
Consulting Services Limited.

Director

H. Bruce Megill,
701 Don Mills Road,
Apt. 2207,
Don Mills, Ontario

Professional mining engineer.
From March 1969 to Sept.
1970 employed with Price
Waterhouse & Associates,
Montreal; prior thereto
Executive Vice-President
and director of Canadian
British Aluminium Co.Ltd.

Director

Donald Sirola,
R.R. #1,
Cobalt, Ontario

Prospector, self-employed.

** On October 30th, 1972, David A. Holman replaced
Rose Palmer as Secretary-Treasurer of the Corporation.

4. Share capitalization showing authorized and issued and outstanding capital.	The authorized capital consists of 10,000,000 common shares without par value, of which there are presently issued and outstanding as fully paid and non-assessable 1,929,167 shares.		
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	There are no bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.		
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	1. The Corporation has agreed to sell to Appreciation Fund Management Limited 200,000 shares of its capital stock at the price of \$2.50 per share on a private placement basis. In addition, the Corporation has granted to Appreciation an option to purchase a further 100,000 shares at \$2.50 per share, exercisable on or before the expiration of six months from the initial date of purchase. Reference is made to Item 1 (Appendix 'A') for further particulars. 2. By resolution of the Board of Directors dated February 14th, 1972, the existing employee stock option plan which had an option to purchase 150,000 unissued shares of the Corporation at \$1.05 per share outstanding, was dissolved. A new stock option plan was adopted setting aside 50,000 unissued shares of the Corporation to be issued to full-time employees of the Corporation at rates to be determined by the Board of Directors, subject to the approval of the Toronto and Vancouver Stock Exchanges, and options to purchase 5,000 and 2,500 shares at \$3.00 per share were allocated to Mr. Ronald C. Sheardown and Miss Rose Palmer respectively, such options to be exercisable over a period of two years commencing March 1st, 1972. Both the Toronto and Vancouver Stock Exchanges have accepted notice of the aforesaid plan. 3. By Agreement dated April 28th, 1972 between the Corporation and Appreciation Fund Management Limited, Suite 2200, 401 Bay Street, Toronto, Ontario, ("Appreciation"), the Corporation agreed to sell to Appreciation 150,000 shares of its capital stock at the price of \$3.00 per share on a private placement basis, and granted to Appreciation an option to purchase a further 75,000 shares at \$3.00 per share, exercisable on or before the expiration of six months from the initial date of purchase, all subject to the approval of such regulatory authorities having jurisdiction. On May 15th, 1972, Appreciation purchased 150,000 shares of the Corporation at \$3.00 per share. At present, Appreciation has outstanding an option to purchase an additional 75,000 shares of the Corporation at \$3.00 per share, exercisable on or before November 15th, 1972. Upon application of Appreciation for an extension of 90 days from November 15th, 1972 on the aforesaid option on 75,000 shares at \$3.00 per share, the Corporation agreed to the said extension subject to the approval of such regulatory authorities having jurisdiction, and the date for the exercise of the option was accordingly extended for 90 days from November 15th, 1972. NOTE: The aforementioned option to purchase 75,000 shares, was permitted to lapse on it's expiry date.		
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	1. Private Placee - Appreciation Fund Management Limited Suite 2200, 401 Bay Street, Toronto, Ontario 2. Employee stock optionees: <table border="0"> <tr> <td>(a) Ronald C. Sheardown, 22 Oakmount Road, Apt. 606, Toronto, Ontario</td> <td>(b) Rose Palmer 240 Wellesley St. East, Apt. 302, Toronto, Ontario</td> </tr> </table>	(a) Ronald C. Sheardown, 22 Oakmount Road, Apt. 606, Toronto, Ontario	(b) Rose Palmer 240 Wellesley St. East, Apt. 302, Toronto, Ontario
(a) Ronald C. Sheardown, 22 Oakmount Road, Apt. 606, Toronto, Ontario	(b) Rose Palmer 240 Wellesley St. East, Apt. 302, Toronto, Ontario		
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None.		

9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The proceeds of the private placement referred to in Item 1 will be used for the following purposes: 1. The purchase of 60,000 shares of Lost River Mining Corporation Limited at \$5.00 per share; particulars of which are given in Item 1 herein. 2. The Corporation has three claim groups totalling 781 claims in the Seward Peninsula, Alaska, details of which are set out in Item 10 herein. The sum of \$78,100 will be required to keep these claims in good standing. 3. The Corporation owns two claim groups in the Sudbury Mining Division, Ontario. (a) The first group is located in Dryden Township where seven claims have been brought to lease and twenty-one adjoining claims on strike of an east-west fault structure have recently been added to the group. The property has very good nickel-copper possibilities and further exploration work is planned on this well located group where some of the claims adjoin those of International Nickel Company Limited. If all of the Dryden Township claims are to be kept in good standing, approximately \$20,000 worth of work would have to be performed. (b) The second group is located in Janes Township where nickel-copper values have been in an offset type norite deposit and justify further investigation. These claims have also been brought to lease and the Corporation intends to carry out further exploration on this property. 4. The Corporation's proposed budget for administrative expenses for the next year is estimated at \$120,000.00 The present chief function and interest of the Corporation is to maintain the largest possible interest in Lost River Mining Corporation Limited. The Corporation presently holds 1,410,000 shares of Lost River Mining Corporation Limited, out of a total of 3,480,005 issued shares, being 40.5% of the issued shares of that company.
---	---

10. Brief statement of company's chief development work during past year.	The Corporation has three claim groups in the Seward Peninsula, Alaska. Claim Groups 1 and 2, adjoining east and west of the property of Lost River Mining Corporation Limited, cover the strike extensions of the Rapid River Thrust fault in the Lost River area and under geological conditions considered to be similar to Lost River Mining Corporation Limited's fluorite, tin-tungsten deposits. During the past season geological, geochemical and coloured air photography was carried out over the property with these results now under study with the recent return of the field geologists for the corporation. Claim Group No. 3 covers a recent high-grade type discovery of fluorite located about 45 miles from Lost River, where it has been exposed for 90 feet in length and 13 feet in width at the one point where it is best exposed. It averaged 76.3% CaF_2 at this exposure with individual assays to 90% CaF_2. More surface work is planned on it during the 1973 field season. The Corporation retains a 45% interest in 200 claims located in the Lac Albel area covering the Grenville Front-Mistassini Fault zone in Quebec. Two exploratory drills have been completed with the last hole intersecting typical carbonate type alteration with which copper is associated on the Econ and Troilus-Maracombeau (Perch Lake Mines Limited) further to the south on what is regarded as the same structure. Low non-commercial copper-zinc mineralization was observed in the carbonate. Also, copper-zinc values have been located on the Nesbitt property adjoining the south within this same structure. Consideration is being given to further work on this 200 claim group.
--	---

11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	None.																		
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not Applicable																		
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	None.																		
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not Applicable.																		
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<table> <tr> <th><u>Name and Address</u></th><th><u>Shareholding</u></th></tr> <tr> <td>* Appreciation Fund Management Limited, Suite 2200, 401 Bay Street, Toronto, Ontario</td><td>350,000</td></tr> <tr> <td>** Doherty McCuaig Limited, The Simpson Tower, Toronto, Ontario</td><td>187,051</td></tr> <tr> <td>* Utilities and Funding Corporation Limited, 100 Thorncliffe Park Drive, Toronto, Ontario</td><td>77,416</td></tr> <tr> <td>** Standard Securities Limited, 185 Bay Street, Toronto, Ontario</td><td>74,016</td></tr> <tr> <td>*** Jones Gable & Co. Limited, 110 Yonge Street, Toronto, Ontario</td><td>70,176</td></tr> <tr> <td>* Beneficially owned.</td><td></td></tr> <tr> <td>** The beneficial ownership of the shares held by these institutions is not known to the signatories hereto.</td><td></td></tr> <tr> <td>*** Included in this block of shares are 2,783 shares owned by Cherokee Investments Co. Limited. Mr. Murray Watts, the President of the Corporation, is the major shareholder of Cherokee Investments Co. Limited. The beneficial ownership of the balance of the above-mentioned shares is not known to the signatories hereto.</td><td></td></tr> </table>	<u>Name and Address</u>	<u>Shareholding</u>	* Appreciation Fund Management Limited, Suite 2200, 401 Bay Street, Toronto, Ontario	350,000	** Doherty McCuaig Limited, The Simpson Tower, Toronto, Ontario	187,051	* Utilities and Funding Corporation Limited, 100 Thorncliffe Park Drive, Toronto, Ontario	77,416	** Standard Securities Limited, 185 Bay Street, Toronto, Ontario	74,016	*** Jones Gable & Co. Limited, 110 Yonge Street, Toronto, Ontario	70,176	* Beneficially owned.		** The beneficial ownership of the shares held by these institutions is not known to the signatories hereto.		*** Included in this block of shares are 2,783 shares owned by Cherokee Investments Co. Limited. Mr. Murray Watts, the President of the Corporation, is the major shareholder of Cherokee Investments Co. Limited. The beneficial ownership of the balance of the above-mentioned shares is not known to the signatories hereto.	
<u>Name and Address</u>	<u>Shareholding</u>																		
* Appreciation Fund Management Limited, Suite 2200, 401 Bay Street, Toronto, Ontario	350,000																		
** Doherty McCuaig Limited, The Simpson Tower, Toronto, Ontario	187,051																		
* Utilities and Funding Corporation Limited, 100 Thorncliffe Park Drive, Toronto, Ontario	77,416																		
** Standard Securities Limited, 185 Bay Street, Toronto, Ontario	74,016																		
*** Jones Gable & Co. Limited, 110 Yonge Street, Toronto, Ontario	70,176																		
* Beneficially owned.																			
** The beneficial ownership of the shares held by these institutions is not known to the signatories hereto.																			
*** Included in this block of shares are 2,783 shares owned by Cherokee Investments Co. Limited. Mr. Murray Watts, the President of the Corporation, is the major shareholder of Cherokee Investments Co. Limited. The beneficial ownership of the balance of the above-mentioned shares is not known to the signatories hereto.																			

16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	The signatories hereto recognize that Appreciation Fund Management Limited is the largest single shareholder, but it is understood that the shares purchased by Appreciation Fund Management Limited were purchased with a view to investment only and not with a view to control. Mr. Irving S. Lindzon is the only person owning a greater than 5% interest in Appreciation Fund Management Limited. The Directors of the Corporation, through the solicitation of proxies, are in a position to materially affect control of the Corporation.			
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	Name of Corporation	Book Value	No. of shares	Market Value
	Pacific (Northern) Gold Mines Ltd.	\$ 1	750,000	\$ -
	Gavan Mines Limited	1	47,450	-
	San Judas Molybdenum Corporation Ltd.	4,493	25,910	5,182
	Coppermine River Ltd.	562,821	1,250,002	-
	East Coppermine Exploration Co. Limited	53,500	115,593	-
	Lost River Mining Corporation Limited	1,826,045	1,410,000	8,319,000
	Muskox Mines Limited	35,020	131,966	-
	Heiburg Sulphur Mines Limited	33,662	505,810	-
	Teshierpi Mines Limited	123,305	636,518	-
	Northville Explorations Limited	21,519	113,750	6,825
		\$2,660,367		\$8,331,007
18. Brief statement of any lawsuits pending or in process against company or its properties.	See Schedule "B" on page 8.			
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	By an Agreement dated March 25th, 1971 made between the Corporation and Murgor Explorations Limited ("Murgor") as Purchasers, and J. T. Flanagan, Toronto, Ontario and John McAdam, Acton, Ontario, as Prospectors, the Corporation and Murgor each acquired a 45% interest in 200 mining claims at Lake Albanel, Mistassini Area, Quebec, at the purchase price of \$10,000 with the Prospectors retaining a 10% interest in the claims. The cost of acquisition and the work on the claims is shared equally between the Corporation and Murgor. There are no other material contracts entered into by the Corporation which are still in effect and have not been disclosed in the foregoing items.			

Schedule 'A'

Item 1:

1. By Agreement dated September 19th, 1972, the Corporation agreed to sell to Appreciation Fund Management Limited, Suite 2200, 401 Bay Street, Toronto, Ontario ("Appreciation") on a private placement basis, 200,000 treasury shares at \$2.50 per share, payable forthwith, and in addition granted Appreciation an option to purchase a further 100,000 treasury shares at \$2.50 per share, exercisable on or before the expiration of six months from the initial date of purchase. In consideration of the aforesaid purchase by Appreciation of 200,000 shares, the Corporation granted Appreciation the first right of refusal on any future financing involving the Corporation for the period of three years next following the completion of the placement and further agreed to appoint or cause to be appointed two nominees of Appreciation on its Board of Directors forthwith upon being requested by Appreciation to do so.

On September 29th, 1972, Appreciation purchased 200,000 shares of the Corporation at \$2.50 per share, netting the Corporation \$500,000, with the approval of such regulatory authorities having jurisdiction.

2. By Agreement dated the 12th day of June, 1972 made between Pioneer Consultants Limited, Suite 401, 360 Bay Street, Toronto, Ontario, as Vendor, and the Corporation as Purchaser, the Corporation acquired 54 mineral claims, THOR 1-54 inclusive, Record Nos. 59623-59676 inclusive, all situated in the Liard Mining Division of the Province of British Columbia, in consideration of the sum of \$18,900.

By Agreement dated the 28th day of June, 1972 made between Pioneer Consultants Limited aforesaid, as Vendor and the Corporation as Purchaser, the Corporation acquired 100 mineral claims, EMB 1-100 inclusive, Record Nos. 60467-60566 inclusive, all situated in the Liard Mining Division of the Province of British Columbia, in consideration of the sum of \$30,000.

Both the Toronto and Vancouver Stock Exchanges have accepted notice of filing of the above transactions.

3. North Trench Explorations Limited (N.P.L.), a wholly owned subsidiary of the Corporation, was incorporated on July 12th, 1972 under the Companies Act of British Columbia, with a share capitalization of 5,000,000 shares without par value. The Corporation proposes to transfer to North Trench Explorations Limited the 154 mineral claims it presently has in the Liard Mining Division of the Province of British Columbia (reference is made to Item 2 above) for the maximum number of vendor shares permissible under the rules of the Vancouver Stock Exchange.
4. By letter agreement dated July 6th, 1972 made between the Corporation and Wyoming Mineral Corporation of Denver, Colorado ("Wyoming"), the Corporation and Wyoming agreed to jointly retain Air Samplex Corporation of Wheat Ridge, Colorado ("Air Samplex"), to provide airborne geologic and reconnaissance mapping of an area in Western Alaska and geologic sampling of potentially

mineralized areas for both companies. Under the terms of this agreement, Wyoming would have all rights and claims, present and future, to deposits of radioactive minerals and the Corporation would have all rights and claims, present and future, to deposits of non-radioactive minerals. The fees of Air Samplex would be divided equally between the Corporation and Wyoming and the specific terms and conditions of the work to be carried out by Air Samplex contained in an agreement between the Corporation, Wyoming and Air Samplex.

5. By an Agreement made between the Corporation, Wyoming Mineral Corporation of Denver, Colorado ("Wyoming") and Air Samplex Corporation of Wheat Ridge, Colorado ("Air Samplex"), and executed by the Corporation on August 4th, 1972, Air Samplex agreed to carry out Airborne Geological Mapping, Radiometric Reconnaissance and Geochemical Sampling in Western Alaska on behalf of the Corporation and Wyoming. The Agreement sets out the specific scope of work and method of compilation of data and further provides for the method of billing and payment, being the payment of \$50,000 split equally between the Corporation and Wyoming in four instalments from June 15th, 1972 to October 31st, 1972. Monthly submittals of technical data by Air Samplex shall serve as evidence of performance and justification for payments.
6. In August 1972 a block of 40 claims was staked by the Corporation in the Crow River Area of the Yukon. Accompanying the basic prospecting programme initiated by the Corporation, a geochemical reconnaissance programme was carried out consisting of prospecting, trenching, geochemical and rock sampling and geological research. The cost of the overall project to date, including staking, has been \$21,935.09.
7. On September 1st, 1972, the Corporation purchased 40,000 shares of Lost River Mining Corporation Limited ("Lost River") at \$5.00 per share on a private placement basis. On November 15th, 1972, the Corporation purchased a further 60,000 shares of Lost River at \$5.00 per share on a private placement basis. Both the aforesaid private placement purchases were approved by the regulatory authorities having jurisdiction. The Corporation now owns 1,410,000 shares of Lost River, 117,333 of which are escrowed.

Schedule 'B'

Item 18:

1. The President of the Corporation and the Corporation are named as Defendants, together with other participants in a syndicate known as the Muskox Syndicate, in a writ issued in the Supreme Court of Ontario with Ursa Polaris Developments Corporation as Plaintiff, under the terms of which the Plaintiff claims that certain of the Defendants are not entitled to an interest in the assets of Muskox Syndicate or in the shares of Muskox Mines Limited. Muskox Mines Limited was incorporated pursuant to the Syndicate Agreement. The Plaintiff asked for an injunction and interim injunction and accounting in support of such a claim. The writ also claims for a declaration that at a meeting of the members of the Muskox Syndicate held on November 22nd, 1968, the members acted in breach of trust of the provisions of the Syndicate Agreement, for damages against the Syndicate Managers for breach of trust and an injunction to oblige the Defendant, Muskox Mines Limited, to obtain Supplementary Letters Patent to vary its authorized capital and for costs against all defendants. On June 19th, 1969, Judgment was delivered dismissing the Plaintiff's motion for an interim injunction with costs in the cause. On September 23rd, 1969, Judgment was delivered dismissing the Plaintiff's application for leave to appeal to the Court of Appeal. The claims for a declaration and a permanent injunction have been set down for trial. In the opinion of Counsel for the Corporation, the Corporation has a valid defence to the foregoing claims.
2. The President of the Corporation, the Corporation and San Judas Molybdenum Corporation Limited are named as Defendants in a writ issued in the County Court of the Judicial District of York with H.E. Neal & Associates Ltd. as Plaintiff under the terms of which the Plaintiff claims the balance of an account owing by the Defendants to the Plaintiff for fees and disbursements rendered by the Plaintiff to the Defendants. In the opinion of Counsel for the Corporation, the Corporation has a good defence to the action on the merits.
3. PCE Explorations Limited is named as a Defendant in a Summons issued in the First Small Claims Court of the District of Temiskaming with Emil McGarry as Plaintiff. The Plaintiff's claim is for the cost of return fare from Toronto to Alaska, expenses in Toronto awaiting assignment and his costs of the action. In the opinion of Counsel for the Corporation, the Corporation has a good defence to the action on the merits.

»Financial Statements«

PAN CENTRAL EXPLORATIONS LIMITED

BALANCE SHEET

AS AT OCTOBER 31st, 1972

WITH COMPARATIVE FIGURES FOR 1971

ASSETS

	<u>1972</u>	<u>1971</u>
<u>Current Assets</u>		
Petty Cash	\$ 50	\$
Cash in Bank	10,491	32,502
Deposit Receipts	1,185,000	375,000
Accounts Receivable and Advances	8,249	259,952
	<u>1,203,790</u>	<u>667,454</u>
<u>Investments at Cost</u>		
Investment in Unlisted Mining Companies	834,322	834,322
Investment in Lost River Mining Co. Ltd.	1,524,322	785,686
	<u>2,358,644</u>	<u>1,620,008</u>
<u>Fixed Assets - At Cost</u>		
Mining Properties	225,883	155,868
Prospecting Equipment	15,181	12,953
Office and Equipment	19,364	1,072
	<u>260,428</u>	<u>169,893</u>
<u>Other Assets and Deferred Expenditures</u>		
Commission on Issue of Shares	44,700	-
Interest in Joint Explorations	32,775	32,220
Deferred Exploration and Administrative Expense	622,164	428,008
	<u>699,639</u>	<u>460,228</u>
	<u>\$4,552,501</u>	<u>\$2,917,538</u>

ON BEHALF OF THE BOARD

Murray Watts.

Rudolph Mosher

PAN CENTRAL EXPLORATIONS LIMITED

BALANCE SHEET

AS AT OCTOBER 31st, 1972

WITH COMPARATIVE FIGURES FOR 1971

LIABILITIES

1972

1971

Current Liabilities

Accounts Payable and Accrued
Charges

\$ 13,681

\$ 3,299

SHAREHOLDERS EQUITY

Capital

Authorized:

10,000,000 Shares, No Par Value

Issued and Fully Paid:

1972: 1,929,167

5,899,674

4,302,172

1971: 8,265,000

(Reduced by a 1 for 6 Stock split)

Deficit

Balance - Beginning of Year

1,387,824

1,132,084

ADD: Cost of Mining Properties -
Written Down

3,030

23,500

Deferred Expenses in Respect Thereof

-

68,010

Write Down of Investments

-

164,224

1,390,854

1,387,818

Total Shareholders Equity

4,508,820

2,914,354

\$4,522,501

\$2,917,653

PAN CENTRAL EXPLORATIONS LIMITED

STATEMENT OF DEFERRED EXPLORATIONS & ADMINISTRATIVE EXPENSES

FOR THE NINE MONTHS ENDED OCTOBER 31, 1972

WITH COMPARATIVE FIGURES FOR 1971

	<u>1972</u>	<u>1971</u>
BALANCE - beginning of period	\$ 405,342	\$ 308,422
<u>EXPLORATION EXPENSES</u>		
Rent	1,286	-
Engineering and Consultants Fees	11,986	539
General Expenses	1,199	2,031
Prospecting Supplies and Expense	30,151	37,467
Surveys	-	6,976
Wages	4,250	1,572
Assaying	2,720	267
Drafting	297	198
Diamond Drilling	5,809	-
Travel	7,570	453
Rental Charges on Equipment	-	6,057
Legal	2,535	-
Charter Plane	11,031	-
Field Supervision	1,993	-
Claims Expense and Licenses	3,148	-
	<u>\$ 83,975</u>	<u>\$ 55,560</u>
<u>ADMINISTRATIVE EXPENSES</u>		
Accounting	\$ 3,770	\$ 1,247
Audit Fees (Adjustment)	3,403	1,425
Management Fees	14,500	13,500
Advertising	2,331	3,537
Employee Benefits	174	749
Fees and Licenses	3,816	1,479
General Expense and Postage	1,286	902
Insurance	619	535
Interest and Exchange	4,342	883
Legal Fees	71,933	11,365
Rent and Office Services	997	-
Shareholders Information	9,027	2,984
Secretarial Fees	1,995	2,129
Telephone and Telegrams	4,440	2,947
Transfer Agents Fees	26,433	11,939
Travel Expense	6,370	1,558
Wages	3,800	10,849
Brokerage Fees	-	14,700
Corporation Tax	693	504
Office Expense	1,246	1,163
	<u>\$ 161,175</u>	<u>\$ 84,395</u>
LESS: Interest on Deposits	25,745	13,699
Sundry Income	2,583	6,671
	<u>132,847</u>	<u>64,025</u>
TOTAL Deferred Expenses, End of Period	<u>\$ 622,124</u>	<u>\$ 428,008</u>

PAN CENTRAL EXPLORATIONS LIMITED

STATEMENT OF SOURCE & APPLICATION OF FUNDS

FOR THE NINE MONTHS ENDED OCTOBER 31, 1972

WITH COMPARATIVE FIGURES FOR 1971

	<u>1972</u>	<u>1971</u>
<u>Source of Funds</u>		
Interest Income	\$ 25,745	\$ 13,699
Miscellaneous Income	2,583	6,671
Sale of Shares	1,590,000	940,000
	\$1,618,328	\$ 960,370
 <u>Application of Funds</u>		
Commission on Shares	30,000	—
Investment - Lost River Mining Co. Ltd.	702,639	600,000
Prospecting Equipment	1,012	876
Mining Lands & Rights	49,101	8,030
Investment in Shares of Unlisted Mining Companies	—	8,500
Decrease in Joint Exploration Participation	555	(12,500)
Exploration & Administration Expense	245,150	139,955
Office Equipment	42	—
	\$1,028,499	\$ 744,861
Increase in Working Capital	\$ 589,829	\$ 215,509
Working Capital beginning of Period	600,280	448,716
	\$1,190,109	\$ 664,225
Current Assets	1,203,790	667,454
Current Liabilities	13,681	3,229
	\$1,190,109	\$ 664,225

Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.

Mr. Irving S. Lindzon, the principal shareholder of Appreciation Fund Management Limited, is also a partner in the law firm of Prousky Lindzon & Biback, the solicitors for the Corporation. The legal fees referred to in the Statement of Deferred Exploration & Administrative Expenses were paid to the firm of Prousky Lindzon & Biback.

There are no other material facts which are not disclosed in the foregoing items.

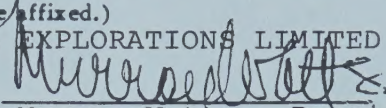
The shares of the Corporation are not in the course of primary distribution to the public.

CERTIFICATE OF THE COMPANY

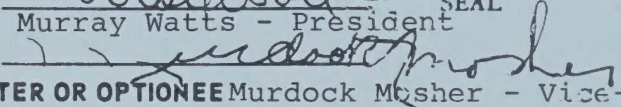
DATED November 15th, 1972
As amended, February 16, 1973.

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

PAN CENTRAL EXPLORATIONS LIMITED


Murray Watts - President

CORPORATE
SEAL

CERTIFICATE OF UNDERWRITER OR OPTIONEE  Murdock Mosher - Vice-Pres.

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

